

MINNESOTA DEPARTMENT OF COMMERCE

NOTICE OF PUBLIC MEETING

Issued: July 12, 2007

**Large Electric Power Generating Plant
Elk River Peaking Station Project
Proposed by Great River Energy
PUC Docket No. ET2/GS-07-715
PUC Docket No. ET2/CN-07-678**

PLEASE TAKE NOTICE that the Minnesota Department of Commerce (Department) will hold a public informational and Environmental Report (ER)/Environmental Impact Statement (EIS) scoping meeting on the Large Electric Power Generating Plant (LEPGP) Certificate of Need and Site Permit Applications submitted to the Minnesota Public Utilities Commission (Commission) by Great River Energy (GRE) concerning the proposed Elk River Peaking Station project.

The information/scoping meetings will be held beginning at 7 p.m. at the following locations:

Elk River Site

Tuesday, July 31, 2007
Elk River City Hall
13065 Orono Parkway NW
Elk River, MN

Rosemount Site

Wednesday, August 1, 2007
Rosemount City Hall
2875 145th Street West
Rosemount, MN

The purpose of the meeting is to present details concerning the proposed Elk River Peaking Station project and to afford governmental agencies, organizations, and the general public with an opportunity to ask questions and provide input into the scope of the environmental review documents.

Project Description: The proposed project consists of a single, simple-cycle combustion turbine generator (CT) with a nominal summer generating capacity of 175 MW and other associated facilities. The facility will use natural gas and ultra-low sulfur distillate fuel oil.

Site Permit Requirement: The addition of this generating unit at the Elk River site falls within the definition of a LEPPG under the Power Plant Siting Act and, thus, requires a Site Permit from the Commission prior to construction. GRE is applying for a site permit following the full review process, which requires the applicant to identify the preferred site for the power plant and one alternative site. The preferred project site is on GRE's campus in Elk River, Sherburne County, Minnesota. The Elk River campus currently includes the Elk River Station, a Refuse-Derived-Fuel (RDF) combustor that co-produces electricity, and GRE's corporate offices.

The alternative site is located on GRE's property in the City of Rosemount in Dakota County, Minnesota. The site is bordered on the south by County Highway 42, on the east by Emery Avenue, on the north by Ehler's Path and 140th Street. The property is currently leased to a farmer for crop production.

LEPPG Site Permit Process: The Department is required to prepare an Environmental Impact Statement (EIS) for the generating plant and the Commission is required to make a site permit decision within 12 months of accepting the site permit application. As part of this process, the

Department holds an Initial Public Informational/EIS Scoping meeting within 60 days of Commission acceptance of the application. At this meeting the public will have an opportunity to comment on the scope of the EIS and propose alternative sites. Following the completion of the draft EIS, the Department will hold another public meeting to summarize the draft EIS and hear public comments and concerns. In addition, a contested case hearing, presided over by an Administrative Law Judge (ALJ) will be held. The ALJ will issue a report containing findings, conclusions and a recommendation on whether the Commission should issue a LEPGP site permit, along with any permit conditions deemed appropriate.

Eminent Domain: If the Commission grants the site permit, GRE may exercise its authority as a public utility to use eminent domain to acquire the land necessary for the project. See Minnesota Statutes § 216E.12. However, both GRE's preferred and alternative sites are on existing GRE property, so use eminent domain is not anticipated.

Certificate of Need Process: No large energy facility shall be sited or constructed in Minnesota without the issuance of a Certificate of Need (CON) by the Commission pursuant to sections 216C.05 to 216C.30. GRE filed an application for a CON with the Commission for the project on May 18, 2007 in accordance with Minnesota Rules Chapter 7829 and 7849.

The Department prepares an Environmental Report (ER) on proposed large electric power generating plants that come before the Commission for a determination of need (Minn. Rules 4410.7060). The ER must contain information on the human and environmental impacts of the proposed project associated with the size, type, and timing of the project, system configurations, and voltage. The environmental report must also contain information on alternatives to the proposed project and shall address mitigating measures for anticipated adverse impacts.

Minnesota Statutes § 216B.243, Subd. 4 require a public hearing be held for the CON to obtain public comments on the necessity of the project. The public hearing shall be held at a location and hour reasonably calculated to be convenient for the public. An objective of the public hearing shall be to obtain public opinion on the necessity of granting a certificate of need.

The Department staff will be soliciting comments pertinent to the scoping of the Environmental Report (CON process) and the Environmental Impact Statement (LEPGP Siting process) during the initial public informational meeting announced in this notice.

Public Comment Period: The public will also have until Monday, August 13, 2007, to submit written comments to the Department on the scope of the ER and EIS documents. Written comments or inquiries should be directed to Bill Storm (bill.storm@state.mn.us), Minnesota Department of Commerce, 85 7th Place, Suite 500, St. Paul, Minnesota 55101-2198.